



KWAZULU-NATAL PROVINCE
ECONOMIC DEVELOPMENT, TOURISM
AND ENVIRONMENTAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

PROCUREMENT & ADMINISTRATION

SUBMISSION TO DEVIATE FROM NORMAL PROCUREMENT PROCESSES: SOLE SUPPLIER

Page: 1 of 6

DIRECTORATE: ECONOMIC PLANNING

Private Bag X9152, PIETERMARITZBURG, 3200
70 Jabu Ndlovu Street, PIETERMARITZBURG, 3200
Tel: 033 264 2553/ 081 253 3668
Email: dudu.gumede@kznedtea.gov.za

Knowledge Management

SUBMISSION TO DEVIATE FROM NORMAL PROCUREMENT PROCESS: SOLE SUPPLIER

TO	Head of Department: Mr BN Nkontwana
FROM	Senior Admin Officer: Ms DN Gumede
CC	Chief Director Economic Planning: Mr C Hamadziripi
SUBJECT	Request to Deviate from Normal SCM Procurement Process and Appoint Mindex Systems BK (CC) as sole supplier while paying for InMagic Annual Software Subscription Renewal and Telephone Support.
CONTRACT DURATION	1 June 2023 to 31 May 2024
SUBMITTED BY	Duduzile Gumede
DATE	08 May 2023

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1. PURPOSE

To request approval from the Head of Department to deviate from normal Supply Chain Management processes in line with Treasury Regulation 16A 6.4 and SCM Instruction Note 3 of 2021/2022- Enhancing compliance- to award a contract to **Mindex Systems CC**, here referred to as **Mindex**, being a sole service provider for an amount of **R35 178.50** for the payment of **Inmagic® DB/TextWorks®** system's annual software subscription renewal and telephone support for a period of 12 months from 1 June 2023 to 31 May 2024.

2. BACKGROUND

Inmagic® DB/TextWorks® is an existing online system sourced from Mindex in 2011. The system is used at the Resource Centre to manage circulation of materials, storing user records, catalogues, printing reports and other administrative functions of the Resource Centre. There is no contract between Mindex and the department, the system was originally procured through a deviation from normal SCM procedures as Mindex is a sole supplier of INMAGIC system. Mindex is the only authorised dealer in Southern Africa as authorised by Lucidea, creators of the system based in the USA. Sole supplier letter is attached. The software subscription and telephone support is paid annually. The following are the benefits of paying the fee;

- You receive new features and developments of the software for the following 12 months.
- Your software is compatible with the latest operating systems, internet browsers, its service packs and Microsoft's "hot fixes".
- Access to INMAGIC's technical support Mindex hotline telephone support.

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3. LINKAGES TO STRATEGIC GOALS AND OBJECTIVES

The resource centre function is under Knowledge Management unit which is linked to the strategic objective develop the knowledge base to enhance the knowledge economy

4. REASON FOR DEVIATION (FURNISH REASON FOR DEVIATION)

TYPE OF DEVIATION	REASONS FOR DEVIATION
SOLE SUPPLIER	- Inmagic® DB/TextWorks® is used at the Resource Centre to manage circulation of materials, storing user records, catalogues, printing reports and other administrative functions and Mindex is the only authorised dealer in Southern Africa as authorised by Lucidea, creators of the system based in the USA. Mindex thus has all the licensing privileges. - Inmagic® DB/TextWorks® is an existing online system sourced from Mindex in 2011.

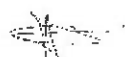
5. LEGAL FRAMEWORK

SCM INSTRUCTION NOTE 3 OF 2021/2022 ENHANCING COMPLIANCE, TRANSPARENCY AND ACCOUNTABILITY IN SUPPLY CHAIN MANAGEMENT

Deviation from Normal Bidding Processes

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If in a specific case it is impractical to invite competitive bids, the AO/AA may procure the required goods and services by other means, provided that the reasons for deviating from competitive bids must be recorded and approved by the AO/AA.

Other means include

- (a) Limited bidding
- (b) Written price quotations within the threshold determined by National Treasury Instructions; and
- (c) Procurement that occurs in emergency situations and urgent cases

Treasury Regulation 16A 6.4

"If in a specific case it is impractical to invite competitive bids, the Accounting Officer or Accounting Authority may procure the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the Accounting Officer or Accounting Authority."

6. SERVICE PROVIDER DETAILS

- 6.1 Name: Mindex Stelsels BK trading as Mindex Systems CC
- 6.2 CSD number: MAAA0005009
- 6.3 BBBEE Status of the Supplier: Level 4
- 6.4 Tax Status: Compliant
- 6.5 Vat Registration No: 4710121817
- 6.6 State Employee: No
- 6.7 Tender Default Register: No

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7. VALUE FOR MONEY/ MARKET ANALYSIS

The system already exists and is own. It was purchased in 2011 from Mindex. Payment of maintenance and technical support fee ensures that we get assistance in case the system breaks down therefore the systems will have a longer lifespan. This gives us value for money as we do not have to source a new system as this can be very costly.

8. FINANCIAL IMPLICATIONS

This project is funded and budgeted for by the Knowledge Management unit for the year 2023/24. The amount budgeted for is **R35 178.50** and quotation for the same amount is attached.

9. COMPULSORY DOCUMENTS TO BE ATTACHED TO THIS SUBMISSION:

Annexure A – Specifications

Annexure B – Quotations from service provider.

Annexure C - Other Supporting evidence/ if the service provider is a sole service provider, A letter of a sole service provider must be attached/ if supplier provides a patented product the patent number must be supplied and confirmed by SCM.

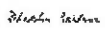
Annexure D – SBD4 – Bidders disclosure Form

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10. RECOMMENDATIONS

It is recommended that approval be granted from the Head of Department to deviate from normal Supply Chain Management processes in line with Treasury Regulation 16A 6.4 and SCM Instruction Note 3 of 2016/2017- Prevention and Combating Fraud in SCM systems to award a contract to Mindex being a sole service provider for an amount of R 35 178.50 for a period of 12 months from 1 June 2023 to 31 May 2024.

11. ADMINISTRATION AND PROCESS SIGN OFF

NAME	ROLE	SIGNATURE	DATE
Project Leader	Resource Centre Coordinator		08/05/2023
Chief Director Mr Cosmas Hamadziripi	Supported	Signed by Cosmas Hamadziripi Signed at 2023-05-30 13:25:15 +02:00 Reason: I approve this document 	30/05/23
Director SCM Ms D Raichund		Signed by D Raichund Signed at 2023-05-31 14:30:36 +02:00 Reason: I approve this document 	31/05/23
Chief Financial Officer Mr K Mthethwa	CFO - supported	Signed by K Mthethwa Signed at 2023-05-31 10:47:53 +02:00 Reason: I approve this document 	02/06/23

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BY

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12. APPROVAL BY HEAD OF DEPARTMENT

It is recommended that approval be granted from the Head of Department to deviate from normal Supply Chain Management processes in line with Treasury Regulation 16A 6.4 and SCM Instruction Note 3 of 2016/2017- Prevention and Combating Fraud in SCM systems to award a contract to Mindex being a sole service provider for an amount of R 35 178.50 for Inmagic® DB/TextWorks® system's annual software subscription renewal and telephone support for a period of 12 months from 1 June 2023 to 31 May 2024.

NAME	ROLE	SIGNATURE	DATE
Mr BN Nkontwana	Head of Department	Signed by: Bphoboy Nkomo, Nkont Signed on: 2023-06-02 22:03:51 +02:00 Reason: I approve this document 	02/06/23

Comments Subject to strict compliance with single supplier provisions,

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REG NO: 1987/001477/23

VAT REG NO: 4710121817

QUOTATION**ATTENTION:** Dudu Gumede**QUOTE NUMBER:** 2023054**SUPPLIED TO:**

Dept Economic Development and Tourism KZN
Resource Centre
270 Jabu Ndlovu Street
PIETERMARITZBURG
3201

QUOTE DATE: 06 July 2023

TEL.: 083 590 2608

033 264 2553

mailto:gumeded75@gmail.comDudu.Gumede@kznedtea.gov.za**Subscription**

DESCRIPTION	QTY	UNIT PRICE	PRICE
Annual Software Subscription & Telephone Support: 06 July 2023 to 31 May 2024	1	27 500.00	27 500.00
Your license number: DB10-246-4179 - 5 node			
Remote Installation to move to a new server	1	6 000.00 -	6 000.00
Discount for Previous Upgrade installation	1	2 910.00	-2 910.00
EXISTING SUBSCRIPTION EXPIRY DATE: 31 May 2023			
THIS SUBSCRIPTION REQUIRES PRE-PAYMENT.			

TOTAL EXCLUDING VAT:

R 30 590.00

Plus VAT @ 15%

R 4 588.50

NETT TOTAL INCLUDING 15% VAT**R 35 178.50*****Mindex is the only Authorised Inmagic dealer in Southern Africa.***

PLEASE NOTE: CONDITIONS WILL BE DEEMED AS READ. CONDITIONS WILL BE SUPPLIED ON REQUEST. THIS QUOTATION IS ONLY VALID FOR 30 DAYS FROM THE QUOTATION DATE EXCEPT IN CASES WHERE THERE IS AN EXPIRY DATE STIPULATED IN THE QUOTE. PRICES MAY CHANGE AT ANY TIME AFTER THAT.

BANK DETAILS: Standard Bank

Branch: Tyger Manor Branch Code: 051001 (Electronic payments) SWIFT: SBZA ZA JJ Account
no: 201083191

I have read and understand the above quote and the conditions.

I hereby declare that the above mentioned company accepts this quotation. I declare that I have been authorised by this company to accept this quotation.

[Click here to see conditions](#)

Signed: _____ E-mail: _____ Date: _____

Company: _____ VAT No: _____

SUPPLIED BY:

MINDEX
2 Merry Rocks Cl
Durbanville
7550
SOUTH AFRICA

QUOTED BY: Hendre

TEL.: +27 21 976-0515

FAX: +27 86 524-1262

E-MAIL: office@mindex.co.za

BIDDER'S DISCLOSURE

• PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

• Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**
- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

- 2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

- 2.2.1 If so, furnish particulars:

.....

.....

- 2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES/NO

- i. If so, furnish particulars:

Isabella Johanna Le Roux Oosthuizen
 ReCon Concepts (PTY) LTD, Reg No. 923126d107. This company is dormant

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

1. DECLARATION

I, the undersigned, (name)..... Isabella Johanna Le Roux Odendaal in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- a. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

Isabella Odendaal
.....
Signature

Director/Manager
.....
Position

26 April 2023
.....
Date

MINDEX STELSERS BK (MINDEX SYSTEMS CC) - Isabella Le Roux Odendaal
.....
Name of bidder

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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LUCIDEA

07 September 2022

To Whom It May Concern:

Lucidea Technologies (U.S.) Corp. ("Lucidea") is the sole developer of our trimagic brand software products and is the only provider of product updates and enhancements.

Further, Mindex Systems of 2 Merry Rocks Cl, Durbanville, Cape Town, South Africa, 7550 is the sole authorized Lucidea partner in South Africa.

Regards,

David Golan

David Golan
Chief Sales Officer

Cc: Calvin Mah, Chief Financial Officer